ORIGINAL

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DISPATCH RADIO • CELLULAR PHONE • WIDE AREA PAGING • RENTAL SERVICES

September 18, 1999

Mr. Thomas J. Sugrue,
Chief, Wireless Telecommunications Bureau
Federal Communications Commission
445 Twelfth Street, S.W.
Suite 3-C252
Washington, D.C. 20554

Re: Ex Parte Filing - WT Docket No. 99-168

Dear Mr. Sugrue:

My wife and I operate a land mobile radio sales and service company, providing employment for about 35 individuals with an annual payroll in excess of $1.25 million. We service approximately 2000 accounts in Austin and San Antonio, TX. Our clients include construction companies, transportation service providers, school districts, universities, retail outlets, manufacturers and service companies. Our primary product is dispatch two-way radio whereby these entities are able to communicate instantaneously with their entire fleet providing a unique and reliable tool to achieve safety for their workers and efficiency for their business operations.

Many of our customers simply would not be able to operate their businesses as they do today without two-way radios. Imagine putting a security guard in a shopping mall with a cellular telephone as his communications lifeline, effectively limiting his ability to report or respond to emergencies immediately. (Please wait 45 seconds while I connect on my phone if my adrenaline is under control enough that I can dial properly.) Ready-mix companies whose high-cost trucks travel throughout the city simply can not operate sensibly without communicating to their plants real-time data on their perishable loads. Consider the benefit of having that critical information instantly at the concrete production plant. Consequently, consider the effect not having that information might have as it spirals downward toward increased costs to the building industry, a significant segment of our economy. Wireless data information systems are not well served by cellular or trunked radio systems. They are best served by private radio systems.

Imagine what our airports would be like without the two-way radio voice and data systems that coordinate ground transportation services? How much would problems escalate for school transportation officials charged with transporting students (including handicapped children with special needs) if they could not reach the buses instantly to communicate instructions?

How many lives have been saved because crane operators were instantaneously given operating instructions regarding situations of which they otherwise would have been unaware. Imagine trying to advise a crane operator utilizing a cellular telephone or a trunked specialized mobile relay radio with the associated key-up delays. By the time one could connect to the crane operator, it would be time to disconnect and call 911.

MOTOROLA
Authorized Two-Way Radio Dealer

NATIONAL MOTOROLA Communications SERVICE

Our services and products provide reliable and affordable solutions to all of these scenarios. We provide instantaneous communications from one point to many points. The fundamental public resource for these services and products is radio frequency spectrum on which they operate.

All of the scenarios mentioned above relate to users who are allocated spectrum in the private radio services. ***The availability of suitable spectrum for these systems is virtually non-existent in metropolitan markets where these systems are most needed.***

In 1998, the Land Mobile Communications Council filed a petition with the FCC asking for at least 15 MHz of new spectrum to ease congestion. To date, that request has not been acted upon.

Newly allocated spectrum in the 746-806 MHz band, however, would provide suitable channels for the deployment of private mobile radio systems. It is adjacent to spectrum set aside for public safety usage and, therefore, would accommodate efficiencies in the development of product that could be deployed in both services.

The FCC ostensibly will auction this band. ***Asking private radio users to compete in a traditional electronic auction with large carriers is similar to asking a homeowner to compete with Marriott Hotels for the purchase of commercial property in a downtown metropolitan market.*** Just as the needs of a single family dwelling builder are different from that of a commercial property builder, so are the needs of private radio users different from those of a large carrier.

A retail shopping center, for instance, is not well served by a wide-area trunking system unless the trunking system happens to be next door. Ready-mix companies who rely on real-time data to keep their plants and trucks operating efficiently are not well served by shared wide-area systems. School districts which are supported by tax dollars are far better served by shorter range push-to-talk technology than costly interconnected systems available from large carriers.

As a matter of government, the FCC should recognize the legitimate difference in needs of these users and accommodate the allocation of spectrum that can be supported by the reasonable business plans of private radio users. ***Competing for spectrum with commercial carriers at auction will effectively deny private radio users access to spectrum.*** The FCC, further, should realize that most private radio users are ill equipped to compete in an auction process. ***The typical private radio user is very skilled at his particular enterprise but relies on external resources to obtain expertise for support of his operations.*** For example, our company routinely prepares and submits FCC license applications for most of our private radio customers. Many of these clients even rely upon us to track the expiration and renewal dates of these licenses.

The notion that private radio users need cost effective access to radio spectrum and an external resource to help manage that access gives rise to the concept of a "band manager." Historically, private users have relied on the FCC and their local supplier to perform what might be construed as "band manager" functions.

The concept, therefore, of auctioning the spectrum to a "band manager" who could deploy it piece by piece as needed and charge appropriately appears to be an equitable notion. It would:

- Allow startup businesses reasonably quick access to available spectrum whereas a traditional auction process might deny startup businesses that access;
- Would most nearly mirror the systems and processes currently in effect and, therefore, be the least disruptive to existing business plans and processes;
- Would accommodate Congressional desires for an auction;
- Would move spectrum management closer to the end users where it might most effectively be accomplished and enhance the FCC's enforcement activities regarding illegal operators;
- Would substantially reduce the possibility of a serious economic effect by allowing end users to pay for only the spectrum and coverage their operations can justify; and
- Help maintain a level playing field for access to spectrum among private radio users. If a traditional auction process is used, only very large well-informed business enterprises will obtain spectrum.

Thank you for your consideration.

Sincerely,

Nathan Sherman
President

Cc: Ms. Magalie Roman Salas, Secretary